



UCL COMPANY (PTY) LTD

CORPORATE SOCIAL INVESTMENT POLICY

COMPANY GUIDELINES

–

ALL OPERATING DIVISIONS

Approved by: CHIEF EXECUTIVE OFFICER  Date: 17-01-2018	REVIEW DATE : 17-01-2018	POLICY NO : UCL/01/08/02
Verified by: CHAIRPERSON S&E COMMITTEE Date: 17-01-2018	REV No. : 02	EFFECTIVE DATE : Date of signature of CEO
	REVIEW CYCLE : Oct 2017 – Oct 2020	UCL/01/08/02 supersedes previous versions of this policy document
This Document is Uncontrolled as soon as printed unless it carries a red "Controlled Document" stamp. For current issue please refer to electronic PDF version, dated: 17-01-2018		

Contents

1. INTRODUCTION	3
2. OVERVIEW	3
2.1 Definition of CSI	3
2.2 The purpose of CSI.....	3
2.1 Areas of focus	4
3. CSI PROCEDURES	5
3.1 Management and administration	5
3.2 Budget approval.....	5
3.3 The number and size of grants	5
3.4 Project adjudication and approval	5
3.5 Measuring and reporting	6
4. COMMUNICATION.....	6

POLICY NO: UCL/01/08/02	REVIEW DATE : 17/01/2018	REV No. : 02
This Document is Uncontrolled as soon as printed unless it carries a red "Controlled Document" stamp. For current issue please refer to electronic PDF version dated 17/01/2018		

1. INTRODUCTION

- 1.1 As a responsible corporate citizen, UCL recognises its responsibility towards stakeholders in the communities within which it operates as well as towards those who fall under its sphere of influence. Accordingly, the Company is committed to promoting its corporate responsibilities in harmony with its broader vision and mission.
- 1.2 In addition, this policy serves to support the company's BEE transformation -, corporate accountability - and corporate governance programmes.
- 1.3 The UCL Corporate Social Investment (CSI) programme considers the following:
- 1.3.1 Funding projects that have a logical fit with the company's interests;
 - 1.3.2 Applying organisational resources, in an appropriate manner;
 - 1.3.3 Alignment with the company's corporate mission;
 - 1.3.4 Regular evaluation and review where required; and
 - 1.3.5 A dedicated committee to deal with all matters relating to CSI.
- 1.4 A clear definition of CSI is included and expenses that fall outside of this definition i.e. organisational sponsorships will fall under the company's sponsorship programme.

2. OVERVIEW

2.1 Definition of CSI

- 2.1.1 In order to ensure a consistent focus and approach towards CSI, the company endorses the following definition of CSI:

“CSI encompasses contributions that are external to the normal business operations of UCL. Such contributions include projects undertaken for the purpose of upliftment, development, sustainability and general support of local communities, schools, non-profit organisations, developing suppliers and stakeholders in general.”

2.2 The purpose of CSI

- 2.2.1 UCL's participation in CSI projects are intended to have a positive long term effect on the recipient as well as the image of the company. The CSI programme provides for the following:
- 2.2.1.1 A means to give something back to the community;
 - 2.2.1.2 Improve relationships with communities;

POLICY NO: UCL/01/08/02	REVIEW DATE : 17/01/2018	REV No. : 02
<p>This Document is Uncontrolled as soon as printed unless it carries a red "Controlled Document" stamp. For current issue please refer to electronic PDF version dated 17/01/2018</p>		

- 2.2.1.3 Improve employee morale;
- 2.2.1.4 Help stabilise the local economic and social environment for the company's long-term survival;
- 2.2.1.5 Contribute to a positive corporate brand and identity;
- 2.2.1.6 Increase stakeholder goodwill and loyalty; and
- 2.2.1.7 Provide opportunities to build relationships and sponsor initiatives on a sustainable basis.

2.1 Areas of focus

- 2.1.1 UCL will render support in the following key areas:
 - 2.1.1.1 *Education and training* – specifically the support of local schools and in the fields of engineering, electronics, maths, science and technology;
 - 2.1.1.2 *Business development* – specifically the support of developing raw material suppliers;
 - 2.1.1.3 *Social welfare promotion* – specifically the support of local charities and non-profit organisations;
 - 2.1.1.4 *Community welfare promotion* - specifically the support of local congregations and community upliftment programs;
 - 2.1.1.5 *Conservation and environment* – specifically promoting awareness and supporting local projects and initiatives.
- 2.1.2 In accordance with the corporate vision and company values the following guidelines will dictate the nature of UCL's involvement in community CSI projects:
 - 2.1.2.1 To focus funding in those communities that are directly involved with the company's operations;
 - 2.1.2.2 To manage the impact of the company's relations with the community and environment according to the ethical principles outlined in the UCL Code of Conduct;
 - 2.1.2.3 To become involved in CSI in a responsible and innovative way based on principles that promote both beneficiary and donor interests;
 - 2.1.2.4 CSI should be aligned with the company's mission; and
 - 2.1.2.5 All funded projects must have a logical fit with the company's sustainability objectives.

POLICY NO: UCL/01/08/02	REVIEW DATE : 17/01/2018	REV No. : 02
This Document is Uncontrolled as soon as printed unless it carries a red "Controlled Document" stamp. For current issue please refer to electronic PDF version dated 17/01/2018		

3. CSI PROCEDURES

3.1 Management and administration

- 3.1.1 Ownership and responsibility for CSI lies with the Social & Ethics Committee.
- 3.1.2 An annual CSI report will be compiled for submission to the board of directors who will be responsible for monitoring progress.

3.2 Budget approval

- 3.2.1 An annual budget will be drawn up by the Social & Ethics Committee and approved by the Board of directors.
- 3.2.2 Actual spend against budget will be managed by the Social & Ethics Committee together with any follow-up actions which may be required.

3.3 The number and size of grants

- 3.3.1 The CSI programme may distribute funds to many small projects, support a few larger projects, or a combination of the two.
- 3.3.2 Initiatives may include ad hoc requests or targeted initiatives.
- 3.3.3 Certain projects may involve term based annual contributions.
- 3.3.4 The following criteria may also form part of the distribution considerations:
 - 3.3.4.1 Partnerships with community and/or other grant givers, i.e. customers and suppliers, to enhance effectiveness; and
 - 3.3.4.2 Non-financial contributions such as material or equipment supplied, man hours spent managing or co-ordinating a project as well as skills transfer such as assisting a school with its administrative procedures; and

3.4 Project adjudication and approval

- 3.4.1 Projects must fall within the company's focus areas as described in 2.1.
- 3.4.2 All ad hoc requests must include the following information:
 - 3.4.2.1 A description of the project;
 - 3.4.2.2 Project location and accessibility;
 - 3.4.2.3 Regular feedback where applicable;
 - 3.4.2.4 Sustainability potential where applicable;
 - 3.4.2.5 Budget and project organisational structure;

POLICY NO: UCL/01/08/02	REVIEW DATE : 17/01/2018	REV No. : 02
This Document is Uncontrolled as soon as printed unless it carries a red "Controlled Document" stamp. For current issue please refer to electronic PDF version dated 17/01/2018		

- 3.4.2.6 Ongoing maintenance plans if applicable;
- 3.4.2.7 In the case of donations, proof that the applicant is a registered trust; a non-profit making organisation or a section 21 company;
- 3.4.2.8 Opportunities for branding/naming rights/ publicity, etc; and
- 3.4.2.9 Contact details.

3.5 Measuring and reporting

- 3.5.1 The following monitoring activities are to be carried out in relation to CSI projects:
 - 3.5.1.1 *Project evaluation*: Including project beneficiary reporting, on-site visits, collection of relevant statistics and formal research;
 - 3.5.1.2 *Post-mortem analysis*: Evaluating and auditing the completed project in order to gauge the impact of the project and its long-term sustainability;
- 3.5.2 The following monitoring activities are to be carried out in relation to the company's CSI programme in general:
 - 3.5.2.1 *Benchmarking*: Comparisons against companies in a similar industry sector or with similar sized budgets (information may be obtained from CSI or company annual reports or public websites); and
 - 3.5.2.2 *Stakeholder reviews*: Auditing the perceptions of various groups, both within the company and externally, about the community development activities of the company.
- 3.5.3 A CSI expenditure spreadsheet is to be updated annually.

4. COMMUNICATION

- 4.1 Effective communication of the company's CSI activities is to take place via the various company newsletters, the Annual Report as well as any publications that may exist within recipient entities.
- 4.2 The purpose of such communications is to disclose and promote community contributions amongst all relevant stakeholders. Such communication would vary according to the nature of the interaction with the respective stakeholders.

POLICY NO: UCL/01/08/02	REVIEW DATE : 17/01/2018	REV No. : 02
<p>This Document is Uncontrolled as soon as printed unless it carries a red "Controlled Document" stamp. For current issue please refer to electronic PDF version dated 17/01/2018</p>		